(b) if so, whether the Bank has noted that the combined debt has touched a high of 69.9 per cent GDP in 2001-2002 from 61.7 per cent in 1990-1991 and on this, the States' debt-to-GDP ratio, which was at a low of 19.4 per cent in 1990-1991, has risen sharply to 25.6 per cent in 2001-2002;

(c) if so, what is Government's reaction thereto; and

(d) what steps are being taken in this regard?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH) (a) The Reserve Bank of India, in its Annual Report 2001-2002, has referred to the finances of the Central Government coming under pressure from a shortfall in revenue collections, reflecting continuing sluggishness in corporate activity and import demand. The Report has also mentioned that the continued imbalance between revenue receipts and expenditures of States is overshadowing the efforts towards fiscal consolidation.

(b) Yes, Sir.

(c) and (d) The Central Government has been following the strategy of fiscal rectitude as outlined in the Union Budget 2002-2003, which aims at higher tax revenues, improved non-tax receipts and moderation in the growth of non-plan expenditure.

The Central Government has also been working jointly with the State Governments to meet the challenge of fiscal management at the State level. The Government of India has also suggested a debt swap scheme to enable the States to retire high cost debt to facilitate the process of fiscal consolidation.

Reduction of air fares by IA/AI

*118. SHRI AIMADUDDIN AHMAD KHAN (DURRU): Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether recently there ensued a cut throat competition of offering reduced fares for air journeys on various popular routes:

(b) if so, by what percentage did the Indian Airlines and Air India under-cut the fares, and what were the comparative figures of fare

cuts offered by different private airlines, during July to October, 2002; and

(c) the extent to which the possible loss due to vacant space on flights has been made good thereby?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) to (c) No, Sir. In response to market requirements, Indian Airlines introduces Promotional Fares on its domestic network from time to time. The level of fare reduction varies from sector to sector and season to season depending various market factors. Indian Airlines has introduced the 'APEX Fares' scheme from 1st August to 31st October, 2002, which has been extended upto 31st March, 2003. The fare component in Apex fares are lower by 12% to 64% over the normal fare component. Jet Airways also offers 'Apex fares' and their fares are also in the same range. Promotional fares have helped in increasing the seat factor of Indian Airlines by 2% & 6% during the month of September & October, 2002 respectively as compared to the corresponding months in the last year. During July to October, 2002 period, Air India has not under cut any filed fares.

IOC's retail outlet in Centaur Hotel premises

*119. SHRI DIPANKAR MUKHERJEE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether IOC had a retail outlet in the Centaur Airport Hotel's premises;

(b) whether the same is on the land leased by the Airports Authority of India;

(c) whether the same has been transferred to the new promoter by Hotel Corporation of India during disinvestment;

(d) if so, whether valuation of the same was done by IOC and ownership changed with its consent; and

(e) if not, the reasons therefor?